

HOUSE BILL No. 1247

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3-3-5.

Synopsis: Tax credits for donations to foundations. Applies the income tax credit for charitable contributions to institutions of higher education to a charitable contribution to a community foundation to the extent that the donor restricts the use of the contribution to providing college scholarships to students attending institutions of higher education located in Indiana.

Effective: January 1, 2005.

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January 15, 2004, read first time and referred to Committee on Ways and Means.

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Introduced

Second Regular Session 113th General Assembly (2004)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2003 Regular Session of the General Assembly.

HOUSE BILL No. 1247

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-3-3-5, AS AMENDED BY P.L.269-2003,
2 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2005]: Sec. 5. (a) At the election of the taxpayer, there
4 shall be allowed, as a credit against the adjusted gross income tax
5 imposed by IC 6-3-1 through IC 6-3-7 for the taxable year, an amount
6 (subject to the applicable limitations provided by this section) equal to
7 fifty percent (50%) of the aggregate amount of charitable contributions
8 made by such taxpayer during such year:

9 (1) to institutions of higher education located within Indiana;

10 (2) to any corporation or foundation organized and operated solely
11 for the benefit of any such institution of higher education; ~~or~~

12 (3) to the associated colleges of Indiana; **or**

13 (4) **to a community foundation or other similar foundation to**
14 **the extent that the donor restricts the use of the charitable**
15 **contribution to providing college scholarships to students**
16 **attending institutions of higher education located in Indiana.**

17 (b) In the case of a taxpayer other than a corporation, the amount

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allowable as a credit under this section for any taxable year shall not exceed one hundred dollars (\$100) in the case of a single return or two hundred dollars (\$200) in the case of a joint return.

(c) In the case of a corporation, the amount allowable as a credit under this section for any taxable year shall not exceed:

(1) ten percent (10%) of such corporation's total adjusted gross income tax under IC 6-3-1 through IC 6-3-7 for such year (as determined without regard to any credits against that tax); or

(2) one thousand dollars (\$1,000);

whichever is less.

(d) For purposes of this section, the term "institution of higher education" means any educational institution located within Indiana:

(1) which normally maintains a regular faculty and curriculum and normally has a regularly organized body of students in attendance at the place where its educational activities are carried on;

(2) which regularly offers education at a level above the twelfth grade;

(3) which regularly awards either associate, bachelors, masters, or doctoral degrees, or any combination thereof; and

(4) which is duly accredited by the North Central Association of Colleges and Schools, the Indiana state board of education, or the American Association of Theological Schools.

(e) The credit allowed by this section shall not exceed the amount of the adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for the taxable year, reduced by the sum of all credits (as determined without regard to this section) allowed by IC 6-3-1 through IC 6-3-7.

SECTION 2. [EFFECTIVE JANUARY 1, 2005] IC 6-3-3-5, as amended by this act, applies to taxable years beginning after December 31, 2004.

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